Basic information

2016/2157(DEC) DEC - Discharge procedure	Procedure completed
2015 discharge: EU general budget, Committee of the Regions **Subject** 8.70.03.05 2015 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	STAES Bart (Verts/ALE)	08/08/2016
	Shadow rapporteur MARINESCU Marian-Jean (PPE) IVAN Cătălin Sorin (S&D) CZARNECKI Ryszard (ECR) THEURER Michael (ALDE) DE JONG Dennis (GUE/NGL) VALLI Marco (EFDD) KAPPEL Barbara (ENF)	

Committee for opinion	Rapporteur for opinion	Appointed
AFET Foreign Affairs	The committee decided not to give an opinion.	
DEVE Development	The committee decided not to give an opinion.	
INTA International Trade	The committee decided not to give an opinion.	
BUDG Budgets	The committee decided not to give an opinion.	
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	

EMPL	Employment and Social Affairs	The committee decided not to give an opinion.	
ENVI	Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
ITRE	Industry, Research and Energy	The committee decided not to give an opinion.	
IMCO	Internal Market and Consumer Protection	The committee decided not to give an opinion.	
TRAN	Transport and Tourism	The committee decided not to give an opinion.	
REGI	Regional Development	The committee decided not to give an opinion.	
AGRI	Agriculture and Rural Development	The committee decided not to give an opinion.	
PECH	Fisheries	The committee decided not to give an opinion.	
CULT	Culture and Education	The committee decided not to give an opinion.	
JURI	Legal Affairs	The committee decided not to give an opinion.	
LIBE	Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.	
AFCO	Constitutional Affairs	The committee decided not to give an opinion.	
FEMM	Women’s Rights and Gender Equality	The committee decided not to give an opinion.	
PETI	Petitions	The committee decided not to give an opinion.	

European Commission

Commission DG	Commissioner
Budget	GEORGIEVA Kristalina

Key events

Date	Event	Reference	Summary
11/07/2016	Non-legislative basic document published	COM(2016)0475	Summary
04/10/2016	Committee referral announced in Parliament		
22/03/2017	Vote in committee		
31/03/2017	Committee report tabled for plenary	A8-0141/2017	Summary
26/04/2017	Debate in Parliament		
27/04/2017	Decision by Parliament	T8-0151/2017	Summary
27/04/2017	Results of vote in Parliament		
27/04/2017	End of procedure in Parliament		
29/09/2017	Final act published in Official Journal		

Technical information

Procedure reference	2016/2157(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/07386

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE593.840	08/02/2017	
Amendments tabled in committee		PE600.914	07/03/2017	
Committee report tabled for plenary, single reading		A8-0141/2017	31/03/2017	Summary
Text adopted by Parliament, single reading		T8-0151/2017	27/04/2017	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05876/2017	17/02/2017	Summary

European Commission

Document type	Reference	Date	Summary

Non-legislative basic document	COM(2016)0475	11/07/2016	Summary

Additional information		
Source	Document	Date
European Commission	EUR-Lex	

Final act	
Budget 2017/1624 OJ L 252 29.09.2017, p. 0133	Summary

2015 discharge: EU general budget, Committee of the Regions

2016/2157(DEC) - 27/04/2017 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Secretary-General of the Committee of the Regions in respect of the implementation of the general budget of the European Union for the financial year 2015.

In its resolution accompanying the decision on discharge, adopted by 517 votes to 107 with 11 abstentions, Parliament noted that in its 2015 annual report, the Court of Auditors observed that **no significant weaknesses** had been identified in respect of the audited topics relating to human resources and procurement for the Committee.

The payments as a whole for the year ended 31 December 2015 for administrative and other expenditure of the institutions and bodies were **free from material error**.

Budgetary and financial management: in 2015, the Committee had an approved budget of EUR 88 900 000 (compared with EUR 87 600 000 in 2014), of which EUR 87 200 000 comprised commitment appropriations with a **utilisation rate of 98.2 %,** a slight decrease.

Parliament noted with satisfaction that the report on the implementation of the **Cooperation Agreement between Parliament and the Committee** was timely and positively assesses the cooperation between both institutions. It reiterated its request for a joint assessment of the budgetary savings resulting from the Agreement to be included in the next follow-up report of the Agreement.

Members welcomed the Committee's interest in having a more systematic approach to the cooperation with Parliament, particularly in political areas and with Parliament's research service (EPRS). They noted with concern that none of the targets set by the Committee in 2015 to increase involvement of Parliament and Council in activities related to the Committee opinions were achieved.

CoR actions: Members made a series of observations and recommendations on the management of the Committee:

- implementing the concept of performance-based budgeting (PBB) and good governance of human resources: this concept should also include the setting of specific, measurable, attainable, realistic and time-based (SMART) targets to individual departments, units and the annual plans of members of staff;
- improve its performance to ensure that the consistent decrease in the payment execution rate in 2015 in some budgetary items does not impact the budgetary management;
- improve the transparency of its operations and include all the data available on the missions undertaken by its Members in its annual activity report, with detailed expenses;
- join the future Inter-Institutional Agreement on a mandatory transparency register;
- improve its gender balance imbalance in senior and middle management posts and report back to the discharge authority on the measures taken to tackle this issue, and the results achieved;
- assess the reasons, focus its human resources' governance to improve the situation and target its well-being activities to include as many staff members as possible to help prevent this kind of absenteeism;
- implement the audit recommendations on performance of IT projects for internal applications;
- ensure the Committee immediately follow up on the two Union Civil Service Tribunal's rulings and the European Anti-Fraud Office's (OLAF) case report, and Parliament's resolutions and brings the whistleblower case of the former internal auditor of the Committee to a just, honourable and equitable settlement before the end of 2017;

- work together with the EESC to follow-up immediately the ruling of the Union Civil Service Tribunal in a harassment case involving officials from both institutions, that it reports to Parliament on the progress and that it review its procedures for handling future allegations of harassment to ensure that they are in line with the case-law of the Civil Service Tribunal.

Lastly, Parliament noted that the outsourcing rate of translation increased from 2.57 % in 2014 to nearly 10 % in 2015 due to the transfer of staff to Parliament under the Agreement. It called on the Committee for an assessment of the cost-effectiveness of the new arrangement now in practice.

2015 discharge: EU general budget, Committee of the Regions

2016/2157(DEC) - 17/02/2017 - Supplementary non-legislative basic document

Based on the observations contained in the report by the Court of Auditors, the Council called on the European Parliament to **grant discharge to all of the EU institutions in respect of the implementation of their respective budgets for the financial year 2015**.

The Council welcomed that the administrative and related expenditure of the EU institutions remained **free from material error** with an estimated level of error of **0.6 %,** which is well below the materiality threshold. It noted with satisfaction that **no serious weaknesses** were identified by the Court in the supervisory and control systems and in the examined annual activity reports.

The Council took note of a limited number of errors detected by the Court, notably in the **recruitment and procurement procedures** and in the **management of staff allowances**.

2015 discharge: EU general budget, Committee of the Regions

2016/2157(DEC) - 11/07/2016 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2015, as part of the 2015 discharge procedure.

Analysis of the accounts of the EU Institutions: **Committee of the Regions**.

Legal reminder: the consolidated annual accounts of the European Union for the year 2015 have been prepared on the basis of the information presented by the institutions and bodies under Article 148(2) of the Financial Regulation applicable to the general budget of the European Union.

(1) Governance and budgetary principles: the organisational governance of the EU consists of institutions, agencies and other EU bodies. The main institutions in the sense of being responsible for drafting policies and taking decisions are the EP, the European Council, the Council and the Commission.

The EU Budget finances a wide range of policies and programmes throughout the EU. In accordance with the priorities set by the European Parliament and the Council in the Multiannual Financial Framework (MFF), the Commission carries out specific programmes, activities and projects in the field.

The budget is prepared by the Commission and usually agreed in mid-December by the Parliament and the Council, based on the procedure of Art. 314 TFEU.

According to the principle of budget equilibrium, the total revenue must equal total expenditure (payment appropriations) for a given financial year.

EU revenues: the EU has two main categories of funding: own resources revenues and sundry revenues. Own resources can be divided into traditional own resources (such as custom levies), the own resource based on value added tax (VAT) and the resource based on gross national income (GNI). Sundry revenues arising from the activities of the EU (e.g. competition fines) normally represent less than 10 % of total revenue. Own resources revenue make up the vast majority of EU funding.

Expenditure of the EU institutions: the EU's operational expenditure of these institutions takes different forms, depending on how the money is paid out and managed.

From 2014 onwards, the Commission classifies its expenditure as follows:

- **Direct management**: the budget is implemented directly by the Commission services.
- **Indirect management**: the Commission confers tasks of implementation of the budget to bodies of EU law or national law, such as the EU agencies.
- **Shared management**: under this method of budget implementation tasks are delegated to Member States. About 80 % of the expenditure falls under this management mode covering such areas as agricultural spending and structural actions.

Consolidated annual accounts of the EU: this Commission document concerns the EU's consolidated accounts for the year 2015 and details how spending by the EU institutions and bodies was carried out. The consolidated annual accounts of the EU provide financial information on the activities of the institutions, agencies and other bodies of the EU from an accrual accounting and budgetary perspective.

It also presents the accounting principles applicable to the European budget (in particular, consolidation).

The document also presents the different financial actors involved in the budget process (accounting officers, internal officers and authorising officers) and recalls their respective roles in the context of the tasks of sound financial management.

Audit and discharge: the EU's annual accounts and resource management are audited by the European Court of Auditors, its external auditor, which as part of its activities draws up for the European Parliament and the Council:

- an annual report on the activities financed from the general budget, detailing its observations on the annual accounts and underlying transactions;
- an opinion, based on its audits and given in the annual report in the form of a statement of assurance, on (i) the reliability of the accounts and (ii) the legality and regularity of the underlying transactions involving both revenue collected from taxable persons and payments to final beneficiaries.

The discharge represents the political aspect of the external control of budget implementation and is **the decision by which the European Parliament, acting on a Council recommendation, "releases" the Commission (and other EU bodies) from its responsibility for management of a given budget** by marking the end of that budget's existence. This discharge procedure may produce three outcomes: (i) the granting; (ii) postponement; (iii) or the refusal of the discharge.

The document also presents a series of tables and detailed technical indicators on (i) the balance sheet; (ii) the economic outturn account; (iii) cashflow tables; (iv) technical annexes concerning the financial statements.

(2) Implementation of the Committee of the Regions' appropriations for the financial year 2015: the document comprises a series of detailed annexes, the most important concerning the implementation of the budget.

As regards the CoR's expenditure, the summary of financial and budgetary implementation of this institution showed that the payment appropriations available for 2015 amounted to **EUR 99 million** with 87.37% of these committed.

As regards the budgetary implementation of the CoR, the 2015 Annual Activity Report noted that the Committee focused on the following:

- the continuation of legislative monitoring with the adoption of opinions by the Committee of Regions (47 opinions and 7 resolutions);
- the continuation of cooperation with other EU institutions and regional and local authorities.

In 2015, the CoR elected Markku Markkula as its President and Karl-Heinz Lambertz as First Vice-President.

The CoR met six times in Plenary Session in 2015 and two extraordinary Bureau meetings were organised in Riga (LV) and Luxembourg (LU) marking the EU Presidencies of Latvia and Luxembourg.

This goal was already underlying the political priorities guiding the Strategic Management Plan 2015-2016:

- more involvement throughout all stages of the EU legislative process
- raise the CoR's institutional profile by building even more effective and trustful partnerships with other EU Institutions
- put regional and local authorities at the heart of designing and implementing European policies
- further develop the EU's decentralised communication with and within the regions.

The CoR signed a political cooperation agreement with the European Parliament, accompanied by a trilateral administrative cooperation agreement including the European Economic and Social Committee. The political cooperation agreement aims at reinforcing the democratic legitimacy of the EU and at contributing to the Treaty objective of pursuing territorial, social and economic cohesion in the Union.

2015 discharge: EU general budget, Committee of the Regions

2016/2157(DEC) - 31/03/2017 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Bart STAES (Greens/EFA, BE) calling on the European Parliament to **give discharge** to the Committee of the Regions in respect of the implementation of the general budget of the European Union for the financial year 2015, Section VII – Committee of the Regions.

It welcomed the fact that the Court of Auditors observed that **no significant weaknesses** had been identified in respect of the audited topics relating to human resources and procurement for the Committee. The Court concluded that the payments as a whole for the year ended on 31 December 2015 for administrative and other expenditure of the institutions and bodies were **free from material error**.

Budgetary and financial management: Members observed that, in 2015, the Committee had an approved budget of EUR 88 900 000 (compared with EUR 87 600 000 in 2014), of which EUR 87 200 000 comprised commitment appropriations with a **utilisation rate of 98.2 %,** a slight decrease.

Members welcomed the Committee's interest in having a more systematic approach to the cooperation with Parliament, particularly in political areas and with Parliament's research service (EPRS). They reiterated their request for a joint assessment of the budgetary savings resulting from the Agreement to be included in the next follow-up report of the Agreement.

They noted with concern that none of the targets set by the Committee in 2015 to increase involvement of Parliament and Council in activities related to the Committee opinions were achieved.

CoR actions: Members made a series of observations and recommendations on the management of the Committee:

- implementing the concept of performance-based budgeting (PBB) and good governance of human resources: this concept should also include the setting of specific, measurable, attainable, realistic and time-based (SMART) targets to individual departments, units and the annual plans of members of staff;
- improve its performance to ensure that the consistent decrease in the payment execution rate in 2015 in some budgetary items does not impact the budgetary management;
- improve the transparency of its operations and include all the data available on the missions undertaken by its Members in its annual activity report, with detailed expenses;
- join the future Inter-Institutional Agreement on a mandatory transparency register;
- improve its gender balance and report back to the discharge authority on the measures taken to tackle this issue, and the results achieved;
- assess the reasons, focus its human resources' governance to improve the situation and target its well-being activities to include as many staff members as possible to help prevent this kind of absenteeism;
- implement the audit recommendations on performance of IT projects for internal applications;
- ensure the Committee immediately follow up on the two Union Civil Service Tribunal's rulings and the European Anti-Fraud Office's (OLAF) case report, and Parliament's resolutions and brings the whistleblower case of the former internal auditor of the Committee to a just, honourable and equitable settlement before the end of 2017;
- work together with the EESC to follow-up immediately the ruling of the Union Civil Service Tribunal in a harassment case involving officials from both institutions, that it reports to Parliament on the progress and that it review its procedures for handling future allegations of harassment to ensure that they are in line with the case-law of the Civil Service Tribunal.

Lastly, Members welcomed the information on the Committee's building policy in its annual activity report.

2015 discharge: EU general budget, Committee of the Regions

2016/2157(DEC) - 27/04/2017 - Final act

PURPOSE: to grant discharge to the Committee of the Regions for the financial year 2015.

NON-LEGISLATIVE ACT: Decision (EU) 2017/1624 of the European Parliament on discharge in respect of the implementation of the general budget of the European Union for the financial year 2015, Section VII — Committee of the Regions.

CONTENT: with the present decision, the European Parliament grants the Secretary-General of the Committee of the Regions discharge in respect of the implementation of the budget of the Committee of the Regions for the financial year 2015.

This decision is in line with the European Parliament's resolution adopted on 27 April 2017 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 27 April 2017).

Amongst Parliament's main observations in the resolution accompanying the discharge decision, the latter regretted that none of the targets set by the Committee in 2015 to increase involvement of Parliament and Council in activities related to the Committee opinions were achieved.

As was the case last year, Parliament expressed concerned that the audit recommendations on performance of IT projects for internal application lag adequate implementation. This situation should be corrected without further delay.

Parliament considered it to be fundamental that the Committee work together with the European Economic and Social Committee to follow up immediately on the ruling of the Civil Service Tribunal in a harassment case involving officials from both institutions, that it report to Parliament on the progress and that it reviews its procedures for handling future allegations of harassment to ensure that they are in line with the case-law of the Civil Service Tribunal.